

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS
(Jointly Administered)

**FIFTH JOINT STATUS REPORT OF MOVANT AMBAC ASSURANCE
CORPORATION AND RESPONDENTS THE FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, THE
COMMONWEALTH OF PUERTO RICO, AND THE PUERTO RICO FISCAL
AGENCY AND FINANCIAL ADVISORY AUTHORITY WITH RESPECT TO
THE PENSIONS DISCOVERY MOTIONS**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

To the Honorable United States Magistrate Judge Judith Gail Dein:

Movant Ambac Assurance Corporation (“Ambac”) and Respondents the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), the Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Oversight Board as the Commonwealth’s representative pursuant to section 315(b) of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”), and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF,” and together with the Oversight Board and the Commonwealth, the “Respondents”),² respectfully submit this joint status report in response to the Court’s December 6, 2019 Order (Dkt. No. 9518).

1. On June 18, 2019, Ambac filed its *Motion To Compel Pensions Discovery* (Dkt. No. 7505) and *Motion for Entry of Order Authorizing Discovery Under Bankruptcy Rule 2004* (Dkt. No. 7507) (together, the “Pensions Discovery Motions”).

2. On July 9, 2019, Respondents filed their *Omnibus Opposition to the Pensions Discovery Motions* (Dkt. No. 7895) (“Opposition Brief”).

3. On July 23, 2019, Ambac submitted its reply in further support of the Pensions Discovery Motions (Dkt No. 8230) (“Reply Brief”).

4. The Parties subsequently filed a number of motions seeking to adjourn the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer. (See Dkt. Nos. 8007, 8271, 8444, 8634, 8997). The Court granted these motions. (See Dkt. Nos. 8017, 8291, 8447, 8638, 9006).

² Movant and Respondents are collectively referred to as the “Parties.”

5. The Parties submitted joint status reports informing the Court of their progress on August 12, 2019 (Dkt. No. 8445), September 6, 2019 (Dkt. No. 8633), and October 25, 2019 (Dkt. No. 8996).

6. On October 23, 2019, Ambac requested additional information regarding the Commonwealth's pension liabilities (the "Supplemental Pensions Requests"). Ambac believes that the Supplemental Pensions Requests target specific information needed to better understand the Commonwealth's present and future pension obligations. The Oversight Board believes the Supplemental Pensions Requests are beyond the scope of the pending Pensions Discovery Motions and, in any event, inappropriate at this time as they seek discovery concerning the proposed plan of adjustment for the Commonwealth.

7. On December 6, 2019, the Parties filed their fourth joint status report (Dkt. No. 9496). At the same time, the Parties jointly filed an urgent motion (Dkt. No. 9498) seeking an order granting an adjournment of the hearing on the Pensions Discovery Motions in order to allow the Parties to continue to meet and confer and to allow briefing to conclude on the Oversight Board's motion to strike two Rule 2004 motions and to seek sanctions against Ambac (the "Motion to Strike"). The Court granted the motion, adjourning the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled for January 29, 2020, and ordering the Parties to submit a fifth joint status report to the Court on the remaining issues for adjudication by January 23, 2020 before 5:00PM (AST) (Dkt. No. 9518).

8. In the time since the Parties filed their fourth joint status report, the Parties have continued to meet and confer to discuss the status of the collection, review, and production process. However, the Oversight Board has not agreed to produce any information responsive to the Supplemental Pensions Requests.

9. The Motion to Strike, which has been fully briefed, is still pending before the Court. Thus, the Parties believe that a further adjournment of the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled for March 4, 2020 is appropriate.

10. The Parties have filed, concurrently with this Joint Status Report, a joint motion requesting an adjournment of the hearing on the Pensions Discovery Motions to the omnibus hearing scheduled to take place on **March 4, 2020**.

[Remainder of Page Intentionally Omitted]

Dated: January 23, 2020
San Juan, Puerto Rico

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CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and exact copy of this notice was filed with the Clerk of Court using the CM/ECF system, which will notify a copy to counsel of record.

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